

#### TOBACCO POLITICS IN ARIZONA

### 18 YEARS OF SUCCESS AGAINST THE TOBACCO INDUSTRY

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### OVERVIEW

- Ancient History
- Modern History
- Changing Climate
- Protecting the \$
- Moving to new heights
- Clean Air
- A new player, a new tax



### ANCIENT HISTORY ('94 - '00)

- 1994: 1<sup>st</sup> Tobacco Tax Initiative (\$.40)
- '95 thru '97: Nuclear Winter
- Struggle to Build Strong TEPP
- Clean Indoor Air Activity begins at the Community Level

### 1994: 1st Tobacco Tax Initiative (\$.40)

- AZHHA takes initiative (enlightened self interest), following CA & MA
- Partnership w/ ACS, ALA, AHA
- Funds used for healthcare and tobacco education & prevention
- Barry Goldwater: honorary chair, conservative promoting tobacco tax, provides credibility

# 1994: 1st Tobacco Tax Initiative (\$.40) (con't)

- Tobacco lobby in AZ very strong
- We are black hats
- Threats from Gov & Pres of Senate
- Very limited budget
- Outspent 4 to 1
- Slimmest margin: but VICTORY

#### '95 thru '97: Nuclear Winter



- Tobacco prevention hires lobbyist: conservative republican
- All threats from Gov, Leg & media carried out
- Three years of preemption battles & attempts to undermine and overturn tax
- Goldwater, lobbyist & few friends prevail



### Struggle to Build Strong TEPP

- TUPAC created & conflicted
- DHS staff told to freeze out tobacco experts, not allowed to interact
- GOV thru DHS puts on spending limit & restricts use of funds to progs for youth and pregnant women
- In spite of resistance an award winning campaign is born:



### Anyone from AZ ever hear

TOBACCO: TUMOR CAUSING, TEETH STAINING, SMELLY, PUKING HABIT!!!

### Clean Indoor Air Activity begins at the Community Level

- Starts in Flagstaff
- "Rolling Thunder" born & partially funded by RWJ
- Mesa X 2
- Tucson & Pima County
- 10 smaller communities
- Tempe the final straw (statewide language born)



# MODERN HISTORY ('00 TO PRESENT)

- TEPP Strong & Effective
- Program Makes Many Friends
- Voter Protection Act Passed '98 (2/3 majority to change initiatives)
- AZ Suffers Financial Disasters '01
- Leg Cuts Everywhere, Including TEPP
- Voluntaries Mobilize to Protect TEPP



### **CHANGING CLIMATE**

- Black Hats to White Hats
- Highly Visible and Successful Program
- People Could See the Benefits
- Ad Campaign Made Many New Friends We Never Had Before (more enlightened self interest)

#### TWO STRATEGIES

- Voluntaries Pursue
   Initiative W/ New
   Partners and a New
   Fundraising Plan.
- Goals were: Protect TEPP, Raise Tax, Secure \$ for Disease Prev. & Early Det.
- Hospital Assoc. & Members Pursue Leg. Referendum (Leg Refer to Ballot).
- Goals were: Raise Tax, Designate \$ to Health Care.



#### STRATEGIES CONVERGE

- Initiative Moving Along
- Leg Sees Advantage of Tax
- Ideas Converge: Protect TEPP, \$ for Prev & Det
- Vols Stop Initiative & Agree to Campaign for Referendum
- Old Team Back Together W/ New Pards



## CAMPAIGNS MERGED AND CARRIED OUT

- Staff & \$ from Two Strategies Merged
- More Polls Taken & Ad Firm Hired
- Limited Opposition But:
- Very Noisy Initiative Year
- Long & Confusing Ballot
- Needed to Put Issue on Voter's Radar

### VICTORY

- By a 2 to 1 Margin
- TEPP & Funding Voter Protected
- New \$ for Health & Welfare Progs
- New \$ for Prevention & Early Detection Activity Managed by AZDHS.



#### SMOKEFREE AZ: 2006 PROP 201

- Same partners reunite
- Took Tempe language statewide
- Strong tobacco opposition: outspent 8/1
- Opposition included alternative Prop
- Major difference: bars, enforcement, tax (\$.02 for enforcement)
- Overwhelming victory



### 2006 PROP 207: tobacco tax & education

- Increased tax by \$.80 (not .80 cent)
- All money earmarked for education
- No "backfill" language
- Price elasticity issue
- TEPP revenue will be reduced

### TODAY

- BTCD alive & well
- Last tax: new chronic disease fund
- Chronic disease & tobacco strategic plans created
- TRUST Commission: provides advice & oversight
- Economy poses new threats



### So what!!!...did it accomplish?

- A steady and protected income source
- A full time DHS bureau dedicated to tobacco prevention, cessation & CD
- A year-round state-wide effort driven by a comprehensive strategic plan with:
- A strong media component and local activity in every county
- BUT WAIT, THERE'S MORE....



THE RATE OF ADULT SMOKING (IN ONE YEAR) DROPPED FROM 19.8% TO15.7%



### WHICH TRANSLATES INTO:

- A 4 POINT, 21% DECLINE
- 170,000 FEWER ADULT SMOKERS
- THE LARGEST DECLINE IN ANY STATE THAT YEAR
- AZ MOVES FROM 26<sup>TH</sup> TO 7<sup>TH</sup> IN THE NATION

# BUT THE SAGA DOTH CONTINUE.....



#### INCOME DECLLINES

- Not attributable to consumption drop
- U of A does study
- \$80 to 100 Million lost/yr
- Min of \$5 million lost by BTCD/yr
- Biggest losses by AHCCS & First Things First



### LOSSES ATTRIBUTED TO:

- Enforcement (spotty & no teeth)
- Black Market (smuggling, counterfeit stamps & product)
- Tribal sales
- Internet sales



# TRUST ELECTS TO FOCUS ON LICENSING TO STRENGTHEN ENFORCEMENT & PREVENT SALES TO YOUTH



- Voluntary transition
- Legislative approach
- Grass Roots approach



### **CURRENT PROGRESS**

- BTCD needed to step back
- Voluntaries step in to take control
- National alliances made for support, assistance and expertise
- Political strategy developed & evolving